

COLLEGE STUDENT AID COMMISSION[283]

Adopted and Filed

Pursuant to the authority of Iowa Code section 261.3, the Iowa College Student Aid Commission hereby amends Chapter 21, “Approval of Postsecondary Schools,” Iowa Administrative Code.

The rules in Chapter 21 describe the administration of registration of postsecondary schools in Iowa. This amendment eliminates references to the Advisory Committee on Postsecondary Registration, which was eliminated from the Iowa Code; updates procedures and processes which have been instituted over the past several years; and includes lists of Iowa colleges and universities that are exempt from the registration process.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 0946C** on August 21, 2013. Comments were received from one postsecondary institution and from Commission staff. The following changes have been made from the amendment published under Notice:

- The language throughout the chapter has been modified to ensure the consistent use of the term “applicant school.”
- The language in subrule 21.2(2) has been changed to more specifically describe adverse conditions that would cause denial of an applicant school’s registration.
- The language in subrule 21.2(11) has been changed to clarify that a school’s licensure program must fully prepare a student to qualify for licensure without the need for a student to do additional work.
- The language in subrule 21.2(14) has been changed to make it consistent with the changes made to subrule 21.2(2).
- In rule 283—21.4(261B), subrules 21.4(1) and 21.4(2) have been reordered, putting the criteria a school must meet before the definition of “nontraditional” program.
- Proposed paragraph 21.5(1)“c” was not adopted because the topic of recruiting is addressed in rule 283—21.6(261B).

This amendment was approved during the November 15, 2013, meeting of the Iowa College Student Aid Commission.

After analysis and review of this rule making, the Commission finds that there is no impact on jobs.

This amendment is intended to implement Iowa Code chapters 261 and 261B.

This amendment will become effective on January 15, 2014.

The following amendment is adopted.

Amend **283—Chapter 21** as follows:

CHAPTER 21

APPROVAL OF POSTSECONDARY SCHOOLS

283—21.1(261B) Advisory committee on postsecondary registration. ~~The advisory committee on postsecondary registration examines out-of-state college and university applications for operation in Iowa and makes recommendations to the commission.~~

21.1(1) ~~The six-member committee is appointed annually by the Iowa college student aid commission and includes one representative from each of the following:~~

- ~~a. The state board of regents.~~
- ~~b. The department of education.~~
- ~~c. The office of the secretary of state.~~
- ~~d. The office of the attorney general.~~
- ~~e. A community college located in this state.~~
- ~~f. An accredited private postsecondary institution as defined in Iowa Code section 261.9, subsection 1, incorporated or otherwise organized under the laws of this state.~~

21.1(2) ~~The committee shall meet as needed. Meetings may be called by commission staff or upon request of a majority of committee members. A nonvoting staff member shall preside as chairperson at the meetings.~~

~~21.1(3) The commission shall give advance public notice of the time and place of each meeting by posting the notice to the commission's Web site. The notice will include the specific date, time, and place of the meeting and the proposed agenda.~~

~~21.1(4) A quorum shall consist of two-thirds of the voting members of the committee. When a quorum is present, a position is carried by an affirmative vote of the majority of committee members eligible to vote.~~

~~21.1(5) The committee may consider comments of the Iowa coordinating council for post high school education that are received by the commission within 90 days of the filing of the application.~~

~~21.1(6) A specific time is set aside at each meeting for the public to address the committee. As a general guideline, a limit of five minutes will be allocated for each of these presentations. If a large group seeks to address a specific issue, the chairperson may limit the number of speakers. Members of the public who wish to address the committee during this portion of the meeting are required to submit a request to the executive director prior to the meeting. The person's name and the subject of the person's remarks must be noted. To accommodate maximum public participation, members of the public are encouraged to submit the request at least 72 hours in advance of the meeting. Members of the public who fail to submit a request may be recognized at the discretion of the presiding chairperson.~~

~~21.1(7) A report of all committee meetings will be provided to the commission at its next regularly scheduled meeting.~~

283—21.1(261B) Postsecondary registration. The college student aid commission examines college and university applications for operation in Iowa and monitors schools approved by the commission to operate in the state.

283—21.2(261B) Approval criteria. The college student aid commission shall approve approves an applicant schools school that meets all of the following criteria:

1. 21.2(1) Are The applicant school is accredited by an agency recognized by the United States Department of Education Accrediting Agency Evaluation Unit or its successor agency. The applicant school shall certify to the commission the school's status with the accrediting agency at the time of the application and provide information about any pending or final action that may affect the school's status with its accrediting agency.

2. 21.2(2) Are approved for operation by the appropriate state agencies in all other states in which the schools operate or maintain a presence. The applicant school certifies to the commission that the applicant school's approval to operate in a state has not been revoked by the state, the school has not been sanctioned by a state within a year prior to the date of its application, and the school is not under investigation or bound by the terms of a judgment issued by a state's attorney general or other enforcement authority.

3. 21.2(3) Are The applicant school certifies that it is not subject to a limitation, suspension or termination order issued by the United States Department of Education or its successor agency. The applicant school shall provide the commission with a copy of the school's current program participation agreement with the United States Department of Education.

4. Are free of sanctions from the schools' accrediting agencies and appropriate state agencies in all other states in which the schools operate or maintain a presence.

5. Enroll students who attend classes in Iowa and employ at least one full-time Iowa faculty member or program coordinator devoted to Iowa students who has graduate degrees, special training, experience, creative production or other accomplishments or distinctions that qualify them for their specific assignments.

6. 21.2(4) Comply The applicant school complies with Iowa Code section 261B.7 limiting the use of references to the secretary of state, state of Iowa, or college student aid commission in promotional material, which prohibits a school from advertising that the school is approved or accredited by the commission or the state of Iowa. However, an applicant school must demonstrate the method by which it will disclose that the school is registered with the commission and provide the commission's contact information for students who wish to inquire about the school or file a complaint.

~~7. 21.2(5) Comply~~ The applicant school provides the commission with institutional policies adopted by the school that comply with the requirements of Iowa Code section 261.9(1) “e” to “h.”

~~8. 21.2(6) File~~ If required by the commission, the applicant school files annual reports that the commission also requires from all Iowa colleges and universities.

~~9. 21.2(7) Demonstrate~~ The applicant school demonstrates financial viability by providing a copy of the institution’s most recent audit that was prepared by a certified public accounting firm no more than 12 months prior to the application and that provides an unqualified opinion. An applicant school must provide the auditor’s report as an attachment to the registration application, which is posted on the commission’s Internet site. However, the school may provide financial statements associated with the audit in a separate electronic file that is marked “confidential.” Financial statements that a school identifies as “confidential” will not be treated as public records under Iowa Code chapter 22.

~~10. 21.2(8) Provide~~ The applicant school provides a description of the learning resources it offers to students ~~with access to learning resources~~, including appropriate library and other support services requisite for the ~~schools’ degree~~ school’s programs.

~~11. 21.2(9) Provide~~ The applicant school provides evidence that faculty within an appropriate discipline are involved in developing and evaluating curriculum for the program(s) being registered in Iowa.

~~12. Demonstrate that the schools have adequate physical facilities that are appropriate for the program(s) being offered and are located in Iowa.~~

21.2(10) The applicant school provides résumés, other documentation, or information posted on its Internet site that describes the educational and experiential qualifications of all faculty or instructors who teach the courses offered to Iowans and the general subject matter in which faculty members or instructors teach. The applicant school shall also provide the number of full-time and part-time faculty and instructors who will teach the courses offered to Iowans.

21.2(11) The applicant school provides documentation demonstrating that a program which prepares a student for an occupation that requires professional licensure in Iowa:

a. Has been approved by the appropriate state of Iowa licensing agency and accrediting agency, if such approval is required, or

b. Meets curriculum standards of the appropriate state of Iowa licensing agency such that the state of Iowa licensing agency does not require the student to complete additional coursework or practicum hours that the school did not offer in its professional licensure preparation program.

21.2(12) The school submits a request for amendment of its registration subject to commission approval in the event the school makes a substantive change in location, program offering, or accreditation during its registration term. A substantive change in program offering occurs when a school proposes to initiate or modify a program that requires the approval of the state board of education or any Iowa state agency authorized to approve the school or its program in this state.

21.2(13) During its registration term, the school notifies the commission within 90 days after adding a program that does not require the approval of another Iowa state agency.

21.2(14) The applicant school certifies that it will immediately notify the commission of any pending or final sanction issued by the school’s accrediting agency, another state agency that registers or licenses the school during its registration term, or a state attorney general’s office or other enforcement authority. The commission may take action that includes, but is not limited to, reducing the school’s registration term or limiting its enrollment of Iowans as the result of a final sanction issued by the school’s accrediting agency, another state agency, or a state attorney general’s office or other enforcement authority.

~~13. 21.2(15) Include~~ The applicant school provides a statement, signed by ~~the~~ its chief executive officer ~~of the applicant school~~, demonstrating the ~~institution’s~~ applicant school’s commitment to the delivery of programs ~~located~~ offered in Iowa, and agreeing to provide alternatives for students to complete their programs at the same or other ~~institutions~~ schools if the applicant school ~~closes~~ discontinues a program, the applicant school closes, or the applicant school closes an Iowa site before students have completed their courses of study.

283—21.3(261B) Additional approval criteria for an applicant school that applies for registration to maintain a fixed location in Iowa. In addition to the approval criteria in rule 283—21.2(261B), a school that applies for registration to operate a campus, branch campus, student services center, or administrative office at a fixed location in Iowa shall meet all of the following additional criteria:

1. The applicant school employs at least one full-time Iowa faculty member or one program or student services coordinator devoted to Iowa students.
2. The applicant school provides to the commission the name and business contact information for a contact person in Iowa.
3. The applicant school demonstrates that it has adequate physical facilities located in Iowa appropriate for the programs and services offered in Iowa.

283—21.4(261B) Additional criteria for an out-of-state applicant school that applies for registration to offer programs via in-person instruction but in a nontraditional format.

21.4(1) In addition to the approval criteria in rule 283—21.2(261B), an out-of-state school that applies for registration to offer programs via in-person instruction but in a nontraditional format shall notify the commission in writing within 90 days of the date that the school establishes a new Iowa location at which Iowa students will receive instruction in the school's nontraditional program. Notification to the commission via electronic mail is acceptable. If the school's accrediting agency requires preapproval of the new Iowa location, the school's notice to the commission must include a copy of that accrediting agency's approval. If the school's accrediting agency does not require preapproval of the new Iowa location, the school must certify that preapproval is not required.

21.4(2) For the purposes of this rule, "nontraditional format" includes, but is not limited to, the following:

- a. A program offered partially via distance education and partially via in-person instruction at a location in Iowa by faculty or instructors compensated by the applicant school.
- b. A program offered partially at the applicant school's out-of-state campus and partially via in-person instruction at a location in Iowa by faculty or instructors compensated by the applicant school.
- c. A program offered at a location in Iowa through compressed courses scheduled on Saturday or Sunday.
- d. A program offered only during the summer months.

283—21.5(261B) Additional approval criteria and exception for an out-of-state applicant school that applies for registration to offer distance education programs.

21.5(1) In addition to the approval criteria in rule 283—21.2(261B), an out-of-state school that applies for registration to offer distance education programs shall meet all of the following additional criteria:

- a. The applicant school discloses the name and business contact information of any person compensated by the school (including by honorarium) to remotely provide instruction or academic supervision in the school's distance education courses from any Iowa location.
- b. The applicant school discloses the name, business contact information, and duties of any person the applicant school compensates to remotely perform operational activities from any Iowa location.

21.5(2) Exception. If a school applies for registration solely to offer distance education programs that include a structured field experience in which the student will participate at an Iowa location and the applicant school maintains no other presence in Iowa as defined in Iowa Code section 261B.2, the school is not required to implement a policy that complies with Iowa Code section 261.9(1) "h."

21.5(3) A registered school must notify the commission within 90 days of the date that the school establishes an Iowa location at which a student will participate in any structured activity (e.g., field experience) related to the school's distance education course of instruction. Notification to the commission via electronic mail is acceptable.

283—21.6(261B) Recruiting for an out-of-state applicant school's residential programs from an Iowa location.

21.6(1) An out-of-state applicant school that compensates a party to recruit Iowans for its campus-based, residential programs shall apply for registration if the recruiter maintains an Iowa address. In addition to meeting all of the criteria in rule 283—21.2(261B), the applicant school shall disclose the name and business contact information for its Iowa-based recruiter.

21.6(2) An out-of-state applicant school that compensates a person to recruit students for its campus-based, residential programs is not required to apply for registration if the school's recruitment activities at a location in Iowa are occasional and short-term; for example, at a college fair or conference.

283—21.7(261B) Provisional registration.

21.7(1) The commission may grant provisional registration only under the following conditions:

a. An out-of-state applicant school is accredited by an entity or organization recognized by the United States Department of Education or its successor agency at the time the school submits its registration application; and

b. The applicant school must obtain the commission's approval before the school's accrediting agency will consider approving the applicant school to operate at a physical location in Iowa.

21.7(2) The commission may prohibit the school from initiating instruction at a location in Iowa until the school obtains its accrediting agency's approval to operate at an Iowa location.

283—21.8(261B) School, Iowa site, or program closure.

21.8(1) Before a registered school takes action to discontinue a program in which an Iowan is enrolled, close an Iowa site, or close the school, the school must notify the commission in writing.

21.8(2) The school's notice to the commission shall include the name, contact information, and anticipated graduation date of affected Iowans, documentation of the school's proposed notice to students, the school's specific plan to provide alternatives for Iowa students to complete the program, and specific information about how the school will provide transitional support to affected students.

21.8(3) The commission may require a registered school that has a continuous corporate surety bond in effect pursuant to Iowa Code section 714.18 to maintain the bond, at minimum, for one year after the school ceases operation in Iowa, closes an Iowa site, or ceases new enrollment in programs previously offered to Iowans.

21.8(4) If the commission takes action to discontinue a school's program, close a school's Iowa site, or terminate a school's operation in Iowa, the school shall provide to the commission the information in subrule 21.8(2) and shall be subject to the requirements of subrule 21.8(3).

283—21.9(261B) Registration fees.

21.9(1) A school that applies for registration in Iowa shall remit to the commission a \$1,000 registration application fee payable to the state of Iowa. This fee is nonrefundable regardless of the commission's decision with respect to the school's eligibility for registration in Iowa. The commission assesses this fee at the time the school initially applies for registration and at the time of each subsequent registration renewal application. A school that fails to pay the registration application fee shall be denied registration consideration.

21.9(2) A school that is approved for registration in Iowa shall remit to the commission a \$1,000 registration fee payable to the state of Iowa. The commission assesses the \$1,000 registration fee at the time the commission initially approves the school's registration and at the time the commission approves each subsequent registration renewal.

21.9(3) A school that makes substantive changes in location, program offerings, or accreditation during its registration term must request that the commission approve a registration amendment. The school shall submit its amendment request in a format acceptable to the commission. The school's amendment request shall be accompanied by a \$1,000 amendment fee payable to the state of Iowa. This fee is nonrefundable regardless of the commission's decision with respect to the school's registration amendment request.

283—21.10(261B) Authorization to operate in Iowa for certain private, nonprofit colleges and universities exempt from registration.

21.10(1) The state of Iowa considers a private, nonprofit institution located in Iowa, which is exempt from registration under Iowa Code section 261B.11(1) “j” and “l,” to be authorized to lawfully operate in Iowa as a postsecondary educational institution that grants a degree, diploma, or certificate for the purpose of state authorization regulations established by the United States Department of Education, provided the institution meets the following conditions:

a. The institution is exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code on or after July 1, 2013; and

b. The institution originated in this state and has undergone no change in ownership or control since July 1, 2011.

21.10(2) The following Iowa colleges and universities are authorized under subrule 21.10(1):

a. AIB College of Business;

b. Allen College;

c. Briar Cliff University;

d. Buena Vista University;

e. Central College;

f. Clarke University;

g. Coe College;

h. Cornell College;

i. Des Moines University;

j. Divine Word College;

k. Dordt College;

l. Drake University;

m. Emmaus Bible College;

n. Faith Baptist Bible College and Theological Seminary;

o. Graceland University;

p. Grand View University;

q. Grinnell College;

r. Iowa Wesleyan College;

s. Loras College;

t. Luther College;

u. Maharishi University of Management;

v. Mercy College of Health Sciences;

w. Mercy St. Luke’s School of Radiologic Technology;

x. Morningside College;

y. Mount Mercy College;

z. Northwestern College;

aa. Palmer College of Chiropractic;

ab. Simpson College;

ac. St. Ambrose University;

ad. St. Luke’s College;

ae. University of Dubuque;

af. Upper Iowa University;

ag. Wartburg College;

ah. Wartburg Theological Seminary; and

ai. William Penn University.

These rules are intended to implement Iowa Code chapters 261 and 261B.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 12/11/13.